Shaping our Future

A Medicaid Long-Term Services and Supports Strategic Planning Process

Long-Term Care Strategic Planning Group

May 22, 2014

Welcome

Dr. Robin Cummings

Medicaid Reform: An Overview

Mardy Peal

Aims of Medicaid Reform

BETTER VALUE FOR NC TAXPAYERS

- Strengthen Medicaid fiscally
  - Flatten cost growth trend
  - Make budget more predictable
- Improve beneficiaries' health outcomes
  - Address population-wide needs
  - Consider whole person in coordinating care
  - Reward quality explicitly

Multi-faceted reform tailored to NC

PHYSICAL — Accountable care organizations (ACOs)

MH, I/DD, SA — LME-MCOs … consolidated, upgraded

LONG-TERM CARE — Stronger case management, and beyond

MH, I/DD, SA = Mental Health, Intellectual/Developmental Disability, Substance Abuse
LME-MCO = Local Management Entity – Managed Care Organizations

What are ACOs?

Accountable care organizations are networks of health care providers who

(1) deliver coordinated care across multiple settings

(2) agree to be held accountable for

a) improving quality of care and

b) slowing the rate of spending growth.

Medicare, private payers, and some state Medicaid programs have started using ACOs

NC has 18 ACOs today, 12 accepted into Medicare

Providers aligned, with incentives

Today	After ACO
Providers fragmented	Providers linked in organized systems of care
Beneficiary may choose a PCP	Beneficiary selects a PCP, is assigned to ACO to which PCP belongs
Fee-for-service payment – rewards volume & intensity	Rewards for efficiency and quality
CCNC coordinates primary care	CCNC helps State and/or ACOs manage utilization and quality

PCP = Primary Care Provider

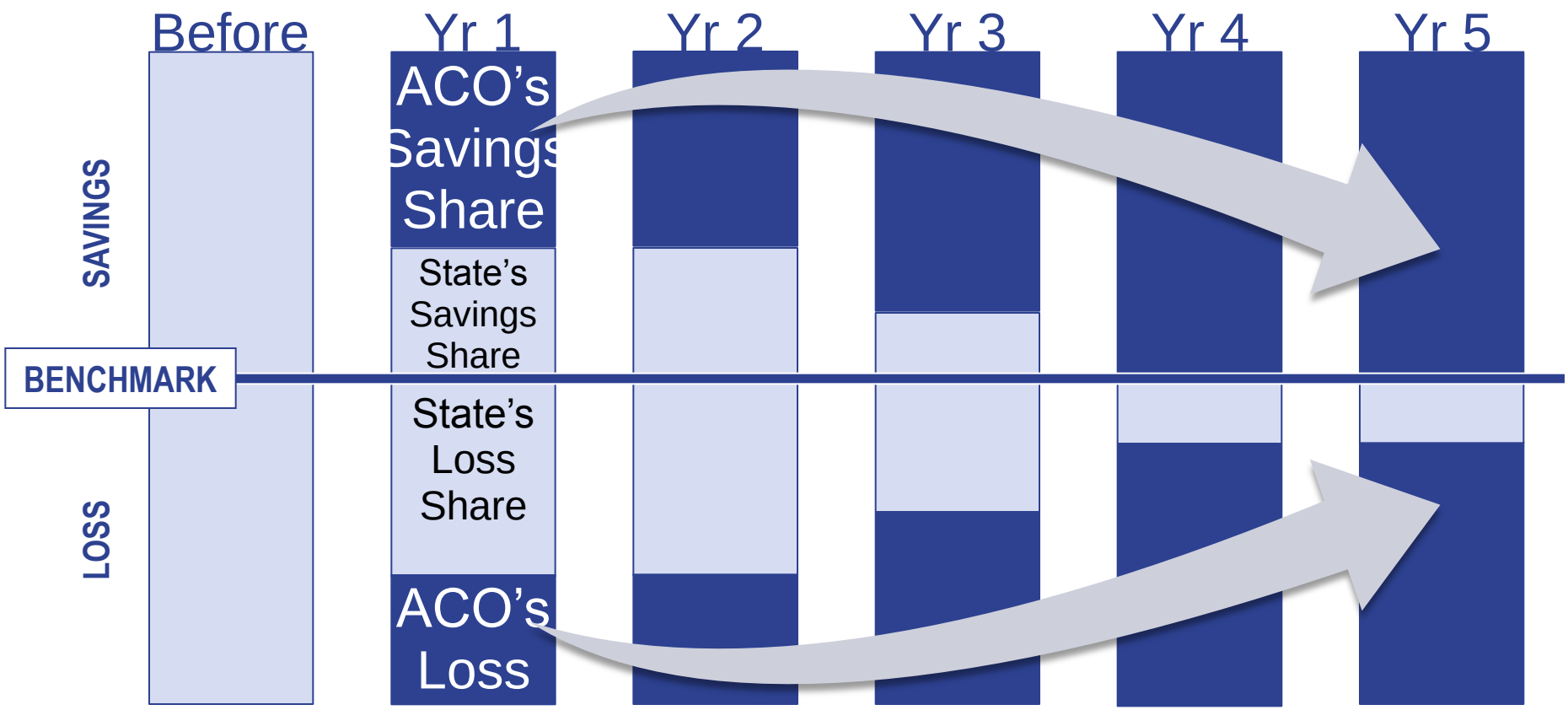
Plan for ACOs in NC Medicaid

- Target start date for ACOs: July 2015
  - ACOs to apply for contracts early 2015
  - Participation voluntary initially

- ACOs expected to meet yearly benchmarks
  - **Access:** More beneficiaries linked to ACOs each year
  - **Cost:** Growth trend reduced materially
  - **Quality:** Quality measures steadily improve

DHHS will take corrective action if annual benchmarks not met

ACOs take rising share of risk



ACO gets lower reward or pays higher penalty if quality isn't best

Quality is factored into rewards

Medicare Shared Savings Program Quality Measures Are a Starting Point

Domain	Examples
Patient/Caregiver Experience	• Patient rating of provider • Timely appointments, information • Access to specialists
Preventive Health	• Influenza immunization • Screening for clinical depression
At-Risk Population	• Diabetes: Hemoglobin A1c control • Hypertension control • Coronary artery disease: lipid control
Care Coordination/ Patient Safety/ EHR	• Hospital readmissions • % of PCPs who qualify for EHR incentive payments

EHR = Electronic Health Record

Is there a more potent alternative?

Full-risk managed care was considered

- Potentially, more budget predictability and savings

Conclusion: managed care not now viable

- Unacceptable to NC health care providers
- Supplemental payments threatened w/o 1115 waiver
- Savings lessened by insurer industry tax under ACA

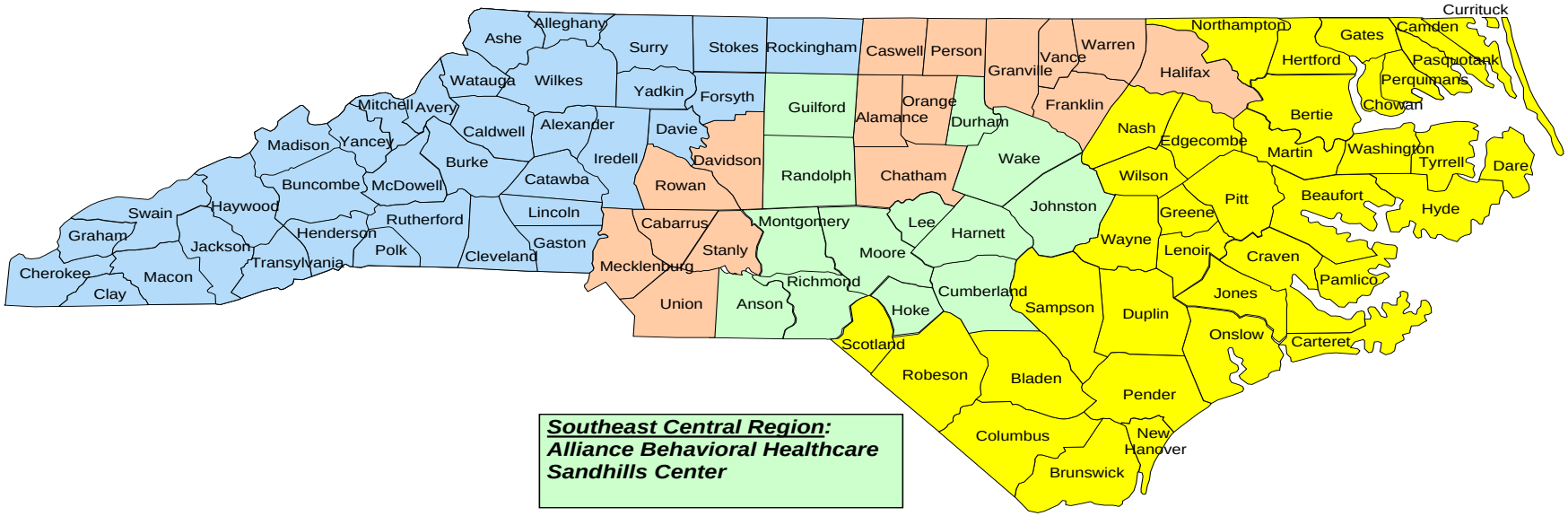
LME-MCO consolidation

Proposed Mergers of LME-MCOs

Western Region:
CenterPoint Human Services
Partners Behavioral Health Management
Smoky Mountain Center

Northwest Central Region:
Cardinal Innovations Healthcare Solutions
MeckLINK Behavioral Healthcare

Eastern Region:
CoastalCare
East Carolina Behavioral Health
Eastpointe



Southeast Central Region:
Alliance Behavioral Healthcare
Sandhills Center

LME-MCO improvements

- Contracting
  - Enhanced process and outcome measures
  - Penalties and incentives for performance
- Oversight
  - More sophisticated monitoring
  - Technical assistance
- Service array
  - Solutions for I/DD waiting list
  - Re-evaluate LME-MCO benefit package

Who's Here?

Trish Farnham

How This Group Came Together

- Building off Medicaid services managed by DMA's Facility, Home & Community Services Section
- Department's recognition of the need for thoughtful strategic analysis of individual Medicaid LTSS programs and LTSS services.
- Desire to keep groups inclusive and productive
- Acknowledging that in Reform, services often considered "LTSS" are actually more rehabilitative or intermittent in nature and potentially interface with Reform elements differently than traditional LTSS services
- Invitees developed from identified stakeholder groups.

Post-Acute/ Intermittent	Long-Term Care ★	Capitated Programs
• **Home Health** • **Hospice** • **Post Acute Rehab** • **HIT**	• Nursing Facility Services (custodial) • Community Alternatives Program • Personal Care Services • Private Duty Nursing	PACE

Setting the Stage for the LTSS Strategic Planning Process: Objectives and Parameters

Sabrena Lea

We are Seeking Strategies and Solutions that....

- Address the overarching goals of Medicaid Reform
- Recognize the General Sentiments in NC about LTSS
- Incorporate the Essential Aims of LTSS Reform

The General Sentiments of NC's LTSS Stakeholders

Build and support a system that promotes consumer choice.

Recognize that a continuum of care exists and there are a variety of legitimate settings in which to receive services.

Recognize the key role family caregivers and other natural supports play in supporting a person's long-term needs.

Develop systemic parity and flexibility in supporting choice among service options, recognizing that public funding streams and public policy have historically restricted these choices.

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The LTSS "Essential Aims"

Information about Options

- Clear, responsive, user-friendly points of access to the system.
- Beneficiaries are informed about all available LTSS options

Whole Person Supports

- Unified assessment
- Improved integration of primary care and behavioral care into LTSS
- System ensures continuity through transitions in setting and services

System Capacity

- Elevated case management, options counseling, transition planning and care integration competencies
- IT platforms effectively meet the short-range and long-term needs of the reformed LTSS system.

Building the Foundation of Our Work: Milestones in the History of NC LTSS

Trish Farnham

Recognizing our History.....

At your table, we invite you to work as a group and identify,

EITHER

- Three positive milestones in our state's LTSS history that should inform our strategic direction.

OR

- Reflect on past public/private LTSS initiatives that were both collaborative and productive. What were they? Why did they work?

★ If time permits, feel free to talk about both. ☺

Building the Foundation of our Work: Incorporating Baseline Data

Bob Atlas

Approximate Medicaid LTSS Enrollment (SFYE 2013)

Service	Approximate Enrollment	Notes
CAP DA	11,000	
CAP CHOICE	1,400	
PCS	44,000	
PDN	500	
CAP Children	1,500	
PACE	700	
SNF	40,000	includes all days
Home Health	29,000	
Hospice	5,000	
HIT	2,200	
APPROXIMATE TOTAL	135,000+	

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Description	SFY2013 Actu	% of Total
Skilled Nursing Facilities		
Total Skilled Nursing Facility	$1,188,684,090.35	54.72%
Personal Care Services		
Total Personal Care Services	$440,521,563.76	20.28%
HIV Case Management		
Total HIV Case Management	$1,373,214.09	0.06%
Community Alternative Program Disabled Adults (CAP DA)	$242,823,980.18	11.18%
Community Alternative Program Children (CAP C)	$74,117,475.86	3.41%
Private Duty Nursing	$72,791,068.28	3.35%
PACE	$19,256,485.73	0.89%
Home Infusion Therapy	$8,585,016.63	0.40%
Home Health	$55,179,270.62	2.54%
Hospice	$68,969,215.64	3.17%
Total LTSS Expenditures	$2,172,301,381.14	100.00%
Notes:		
1. Data source is June 30, 2013's BD701 - all funds		
2. Effective SFY2014/15, SNF and ICF expenditures to be recorded in same account		
3. Effective SFY2014/15, PCS budgeted only in account 536144		
4. *Includes all costs*		

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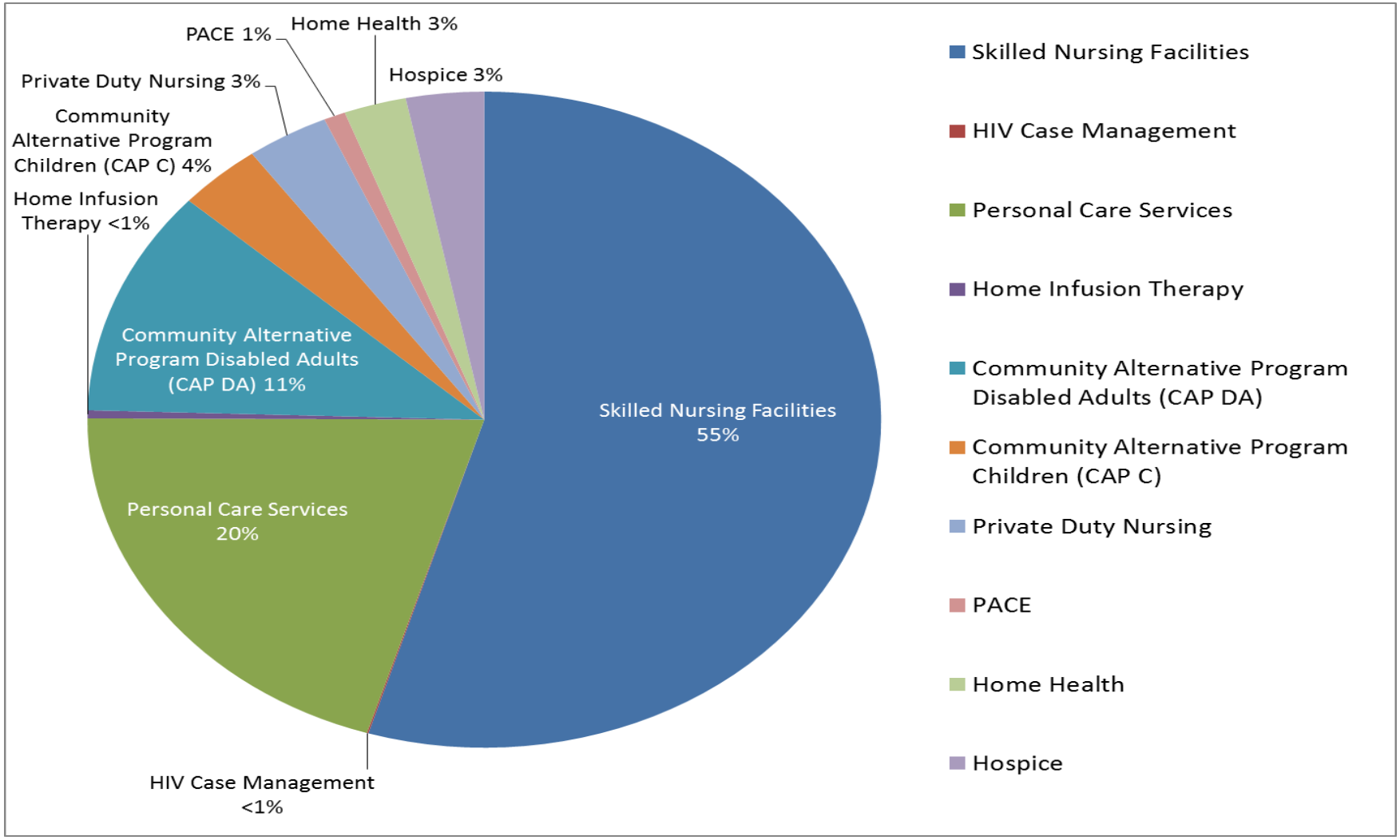
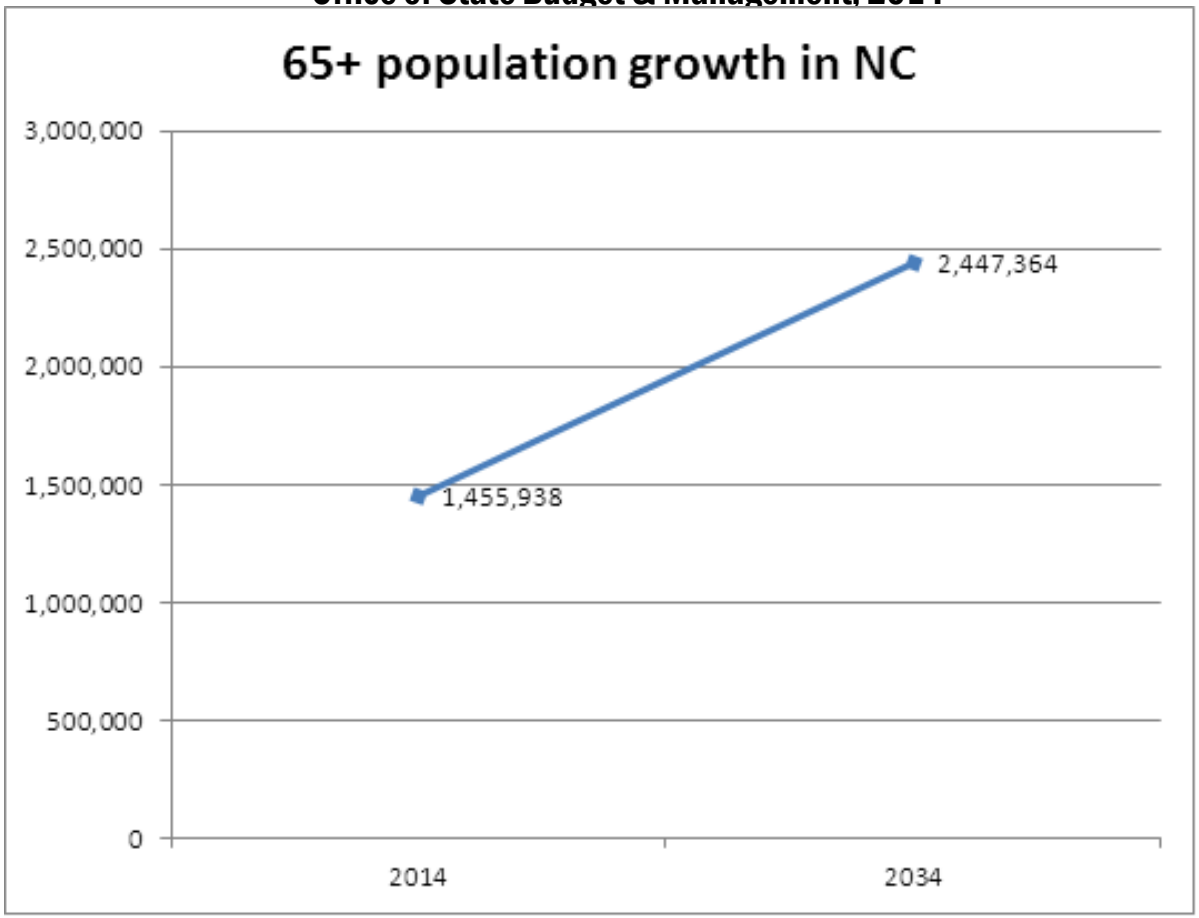
Medicaid LTSS SFY 2013 Expense Data By Percentage



NC State's Anticipated Growth of 65+

Office of State Budget & Management, 2014



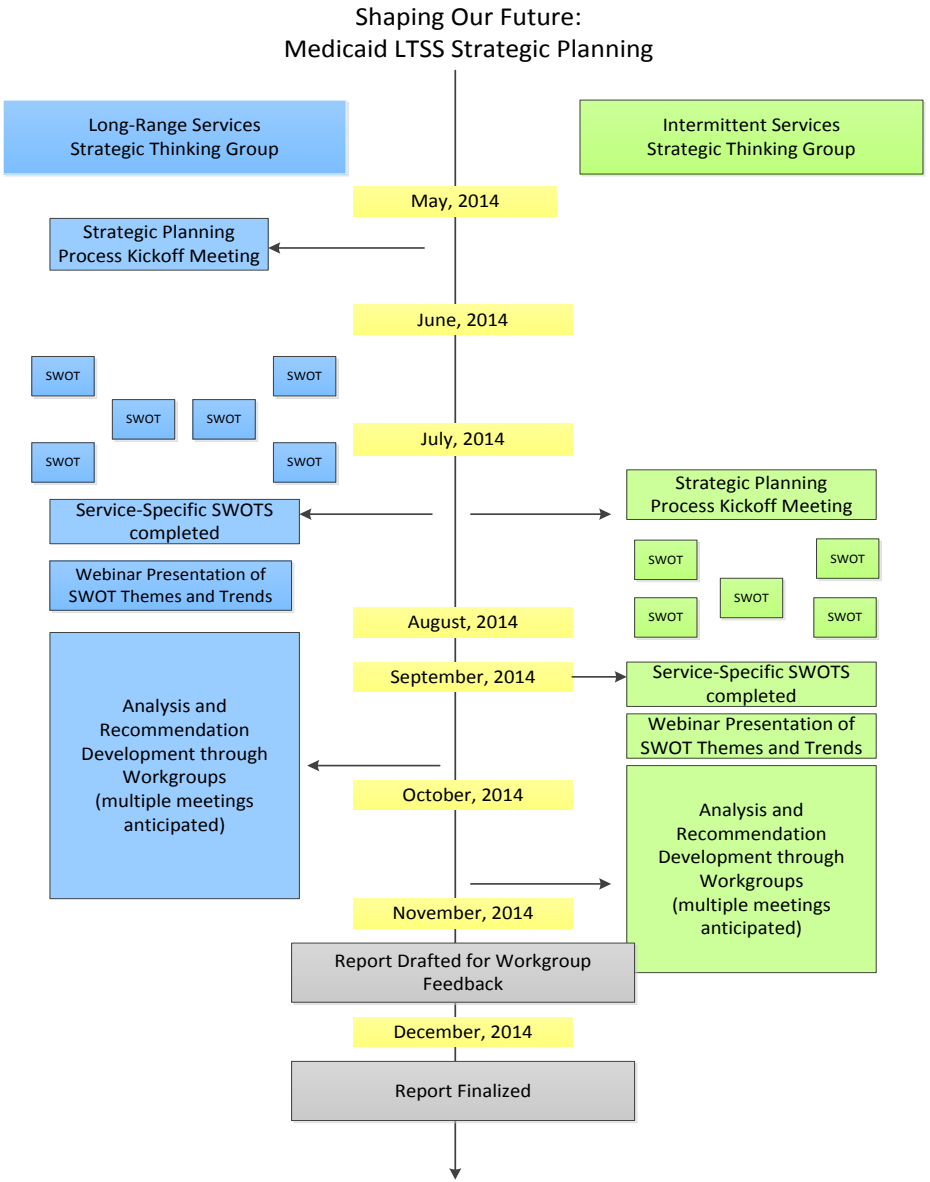
Overview of Anticipated Planning Process

Trish Farnham

What We Have Committed to Do:

- Planning for how current programs could better meet the goals of Medicaid Reform.
- Building a service-delivery system that solidifies the mechanism for accomplishing the LTSS "essential aims."
- By December 31, 2014:
  - Detailed work plan
  - Proposed budget
  - Recommendations related to rate, licensing and admin changes
  - Projected timeframes.

Overview of Proposed Process is on Page that Looks Like This:



Next Step: Program-Specific SWOT Analysis

- LTC SWOTs
  - Strengths, Weaknesses, Opportunities, Threats
  - Integrating the 4+1 questions of person-centered planning
  - Similar to PACE strategic planning process
  - See handout for dates
  - Anticipate groups to be <40
  - RSVP guidance to come!
- LTC SWOT themes to be presented by webinar in mid July.

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Organizing Our Work: Preliminary Workgroup Design

Information about Options	Whole Person Supports	Unified, Holistic Assessment
• Will focus on points of access and options counseling • Co-chaired by Mardy Peal and Heather Burkhardt	• Will focus on practices that better integrate physical and behavioral systems into LTSS • Co-chaired by Bob Atlas and Trish Farnham	• Will examine methods for developing unified assessment tool • Co-chaired by Sabrena Lea and (invited) Pam Silberman

All groups will incorporate workforce and IT capacity considerations.

Commitments

- Workgroups will be under rigorous timelines and will require work between meetings.
  - We appreciate those who are willing to work.
- Groups will be meeting regularly, potentially every other week.
  - We appreciate those who can commit to remaining involved.
- Groups will be diverse, representing varied perspectives and insight.
  - We appreciate those who value this diversity.

Our Communication

- You all have now formed a listserve! Information will be shared through this group.
- Information will be posted on Medicaid Reform Website.
- Workgroup meetings will begin late July/early August.
  - Initial announcement will go to listserve by June 1st.
  - After initial meeting, each workgroup will manage communication with members.

"To go fast, go alone. To go far, go together."

-- attributed to "African Proverb"

Close and Thank You

Sabrena Lea